

POLICY	STATUS	AT	DATE	DOC ID
<i>Leasing and Licencing of Council Property Policy</i>	<i>Adopted</i>	<i>ELT Operational meeting</i>	<i>20/4/2026</i>	<i>A121353</i>



ŌPŌTIKI DISTRICT COUNCIL

LEASING AND LICENCING OF COUNCIL PROPERTY POLICY

AMENDMENTS/REVIEW

No:	Amendment(s)/Review	Date	Carried out by / Authority
0.1	Will replace the Policy Guidelines on Leases to Community Groups. The replacement Policy as you are reading acts as a guide for Council staff when implementing a lease/licence.	30/03/2026	Scott J

Purpose

This Policy provides a clear and consistent framework for the leasing and licencing Council-owned or administrated land and facilities, ensuring assets are managed in the best interests of ratepayers while supporting community wellbeing and appropriate commercial use.

Scope

The Policy applies to:

- All Council owned and administrated land, buildings, and unformed legal roads.
- All new leases/licences, including renewals, and reviews.

This Policy does not apply to:

- Casual or occasional hire.
- Facilities governed by separate policies.

Policy Principles

In considering Agreements, Council will:

- Align with relevant Council strategies, including the Property Strategy and Parks and Reserves Management Plan.
- Prioritise community benefit and public good.
- Act fairly, consistently, and transparently.
- Seek value for money for ratepayers.
- Protect environmental, cultural, and heritage values.
- Promote shared and efficient use of Council assets.
- Give effect to the principles of Te Tiriti o Waitangi.

Types of Agreements

Council may enter into the following agreement types:

- Leases of land or buildings (whole or part).
- Licences to occupy.
- Licences to graze.
- Non-exclusive use licences.

Definitions

Policy – Leasing and Licensing of Council Property Policy.

Council – Ōpōtiki District Council.

Property/Properties – Council owned land or buildings made available by the Council for leasing/licencing. Typically includes:

- Reserve Land managed under the Reserves Act 1977,
- Community Properties,
- Commercial Properties, and
- Unformed legal roads (Paper Roads).

Applicant – A person, organisation, or entity that applies to Council to lease or obtain a licence to occupy Council-owned Property.

Lease – A legal agreement which grants exclusive possession of land or building for a fixed term.

Licence – A legal agreement that permits use of land or facilities for a specified purpose, without granting exclusive possession.

Agreement(s) – Refers to a Lease or Licence for the context of this Policy.

Community Benefit – A benefit arising from activities that aligns with Council’s community priorities outlined in the current Long-Term Plan.

Commercial Benefit – A benefit arising from activities that are primarily intended to generate income, profit or financial return.

Policies

The following policy statements apply:

1. The duration of any lease/licence will be determined on a case-by-case basis, having regard to the Applicant’s purpose and intended use of the Property.
2. All occupiers of Council Property will be subject to an Agreement.
3. Applicants must demonstrate:
 - A clearly defined and ongoing need for the land and/or facility.
 - Alignment with Council strategies and policies.
 - Community benefit, where applicable.
 - Capacity to manage, maintain, and insure the asset, where applicable.
4. Applicants must hold Public Liability Insurance. This requirement does not apply to paper roads unless construction is proposed.
5. In negotiating rental, Council should apply rental terms on a sliding scale that reflects the extent to which an Applicant’s activities deliver Community Benefit. As the level of demonstrated Community Benefit increases, more favourable rental and lease/licence terms may be applied. For example,
 - Activities delivering solely or a high level of Community Benefit may be eligible for negotiable subsidised rental terms.
6. Where activities are primarily for Commercial Benefit, rental will generally be based on market value. If the activity also demonstrates Community Benefit, Council may apply the provisions of the preceding section.
7. Upon negotiation, a professional valuation to determine market value may be obtained before entering into an Agreement with an Applicant.
8. Rent reviews and renewals are as specified in the current lease/licence or can be negotiated in a new Agreement.
9. Renegotiation of existing leases/licences is governed by the terms of those Agreements, while new Agreements may be negotiated.

10. Applicants are required to pay all outgoings, unless otherwise negotiated.
11. Applicants must pay all legal fees associated with preparing or amending a lease/licence.
12. As part of negotiations, Council may charge associated fees, including a bond, for use of Council Property.
13. Outdoor recreation facilities, including sports fields and courts, are generally available for public use free of charge, unless otherwise specified in Council's Fees and Charges Policy.
14. Council may introduce a booking system for the use of facilities, including sports fields and courts. Use of these facilities will generally be free of charge, unless fees are specified in Council's Fees and Charges Policy.
15. Any lease/licence of an historic reserve must comply with section 58A of the Reserves Act 1977.
16. For uses of Reserve land, the operative or Reserve Management Plan must be considered.
17. At all times, Council must comply with all relevant legislative requirements, including the Local Government Act 2002 and the Reserves Act 1997, and have particular regard to any applicable consultation requirements.

Relevant Legislation

Reserve Act 1977

Airport Authority Act 1966

Review

Council will ensure that this Policy is regularly reviewed to reflect the changing nature of community outcomes and activity specific objectives, to enable informed lease/licence decision making.